partment of the Delhi Excise and Customs Collectorate has served a show cause notice to M/s. Swatantra Bharat Mills, a unit of the DCM Group, for evading excise duty to the tune of crores of rupees;

(b) if so, how the Department detected the evasion of excise duty by the said Mills; and

(c) what further action Government propose to take against the Mills?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Yes, Sir. The Collector of Central Excise, Delhi has issued a show cause notice to M/s. Swatantra Bharat Mills, (a unit of DCM Ltd.) for evasion of Central Excise duty to the tune of Rs. 1.29 crores.

(b) During the course of investigation it was observed that this Mill was in fact manufacturing Terry Towels leviable to Central Excise duty at the rate of 12% *advalorem* but clearing the same in the guise of Terry Towelling Fabrics without payment of duty. Investigations also revealed that the Mill did not pay the Central Excise duty on yarn and the fabrics used in the manufacture of Terry Towels which were exported.

(c) The case is now pending adjudication before the Collector of Central Excise, Delhi. After the adjudication of the case appropriate action under Central Excise Law would be taken against the Mill.

Recovery of Loans by the State Bank of Indore with the help of Wrestlers

3448. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that State Bank of Indore has hired wrestlers for the recovery of loans as published in the daily 'Navbharat' (Bhopal edition) of the 25th May, 1988 under the caption "State Bank of Indore Ka Naya Prayog, Karj Vasuli Ke Liye Pahubal Ka Sahara";

(b) If so, how many wrestlers have been hired by the State Bank of Indore for the recovery of loans and how much amount has been paid to them as commission and the details thereof; and

(c) under what banking regulations the wrestlers have been hired for the recovery of loan amounts and whether the officers of the Bank have been found to be unfit to make recovery of the loans?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHR EDUARDO FALEIRO): (a) to (c) State Bank of Indore has reported that they have engaged one private agency for seizure of vehicles/realisation of overdues in case of borrowers particularly transport operators indulging in financial indiscipline and wilful default in repayment of bank dues as the bank has the right to take possession of the hypothicated vehicles without recourse to the court Under the jurisdiction of their Bhopal Zonal office, only one vehicle was seized by the agency and the same was immediately released on the assurance of the borrowers to repay the overdues of the bank.

Relief Measures for Powerloom Sector

3449. SHRI VITHALRAO MADHAVRAO JADHAV:
SHRI NARESH C. PUGLIA:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that new textile policy has adversely affected the powerloom and handloom sectors:

(b) whehter it is also a fact that according to the new textile policy,

Government equated composite mills with the powerloom sector in the matter of excise duty; and

(c) if so, what measures Government have taken to give relief to the powerloom sector?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) No, Sir.

(b) Yes, Sir.

(c)Since the production of cloth by the powerloom sector has been steadily increasing while that of the composite mill sector has been declining, the question of giving any special relief to the powerloom sector does not arise.

Spinning Mills

3450. SHRI VITHALRAO MADHAVRAO JADHAV:
SHRI NARESH C. PUGLIA:

Will the Minister of TEXTILES be pleased to state:

(a) how many proposals for cooperative spinning mills in Maharashtra are pending with the Central Government; and

(b) what is the position of financing of the eleven-cooperative spinning mills in the backward regions of Maharashtra which are being set up?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) There is at present no fresh proposal pending with the Government for the licensing of any new cooperative spinning mills in Maharashtra.

(b) The Industrial Development Bank of India have been advised to consider the financing of these projects favourably.

Authorised/Unauthorised Powerlooms

3451. SHRI VITHALRAO MADHAVRAO JADHAV:
SHRI NARESH C. PUGLIA:

Will the Minister of TEXTILES be pleased to state:

(a) what is the number of authorised and unauthorised powerlooms at present in the country;

(b) how many authorised and unauthorised powerlooms are at present working in Maharashtra; and

(c) what credit facility is extended to these powerlooms and especially to those in Maharashtra?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) and (b) According to available information, as on 30-6-1988 there were 4,69,155 authorised and 3,04,300 unauthorised powerlooms in the decentralised sector in the country Out of these, there were 209.162 authorised and 1.07.042 unauthorised powerlooms in Maharashtra. Out of these approximately, 3 5 per cent of the total number of powerlooms in Maharashtra were lying closed.

(c) the National Bank for Agricultural and Rural Development and the Industrial Development Bank of India provide refinance both for term loans and working capital to powerloom cooperatives through cooperatives/commercial banks/State Financial Corporations. State Governments have been requested to encourage the formation of powrlooms cooperatives for augmenting the flow of credit to powerlooms

Excise Duty Relief for Paper Industry

3452. SHRI D. B. CHANDRE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the paper industry in the country is in dol-